



# Making Value Chains Work for the Poor

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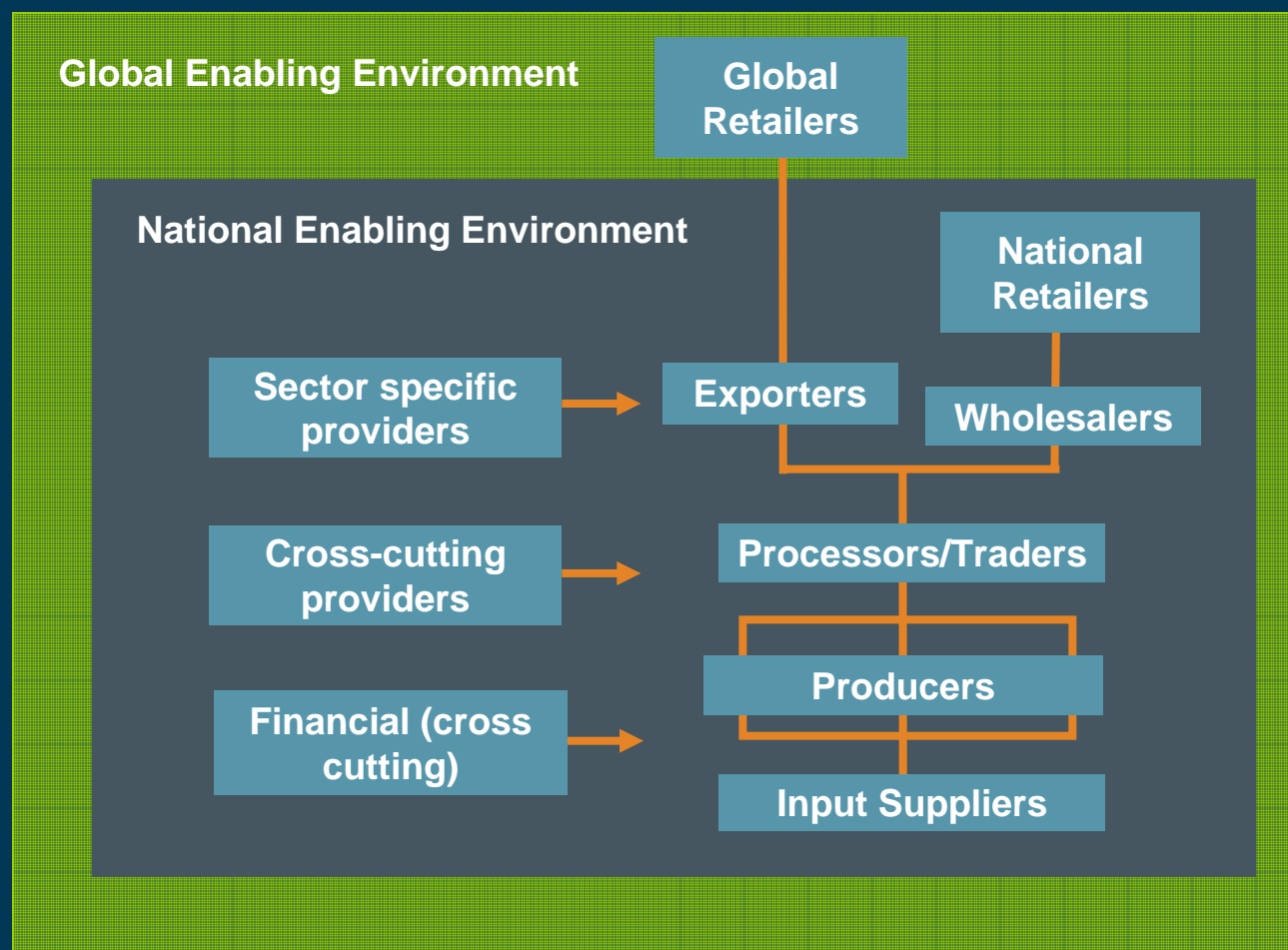
# The Value Chain Approach

Set of principles and tools designed to drive **economic growth** that **reduces poverty** through the integration of large numbers of **small enterprises and farmers** into increasingly competitive value chains



Empowering people to succeed in the global economy.

# The Value Chain Approach

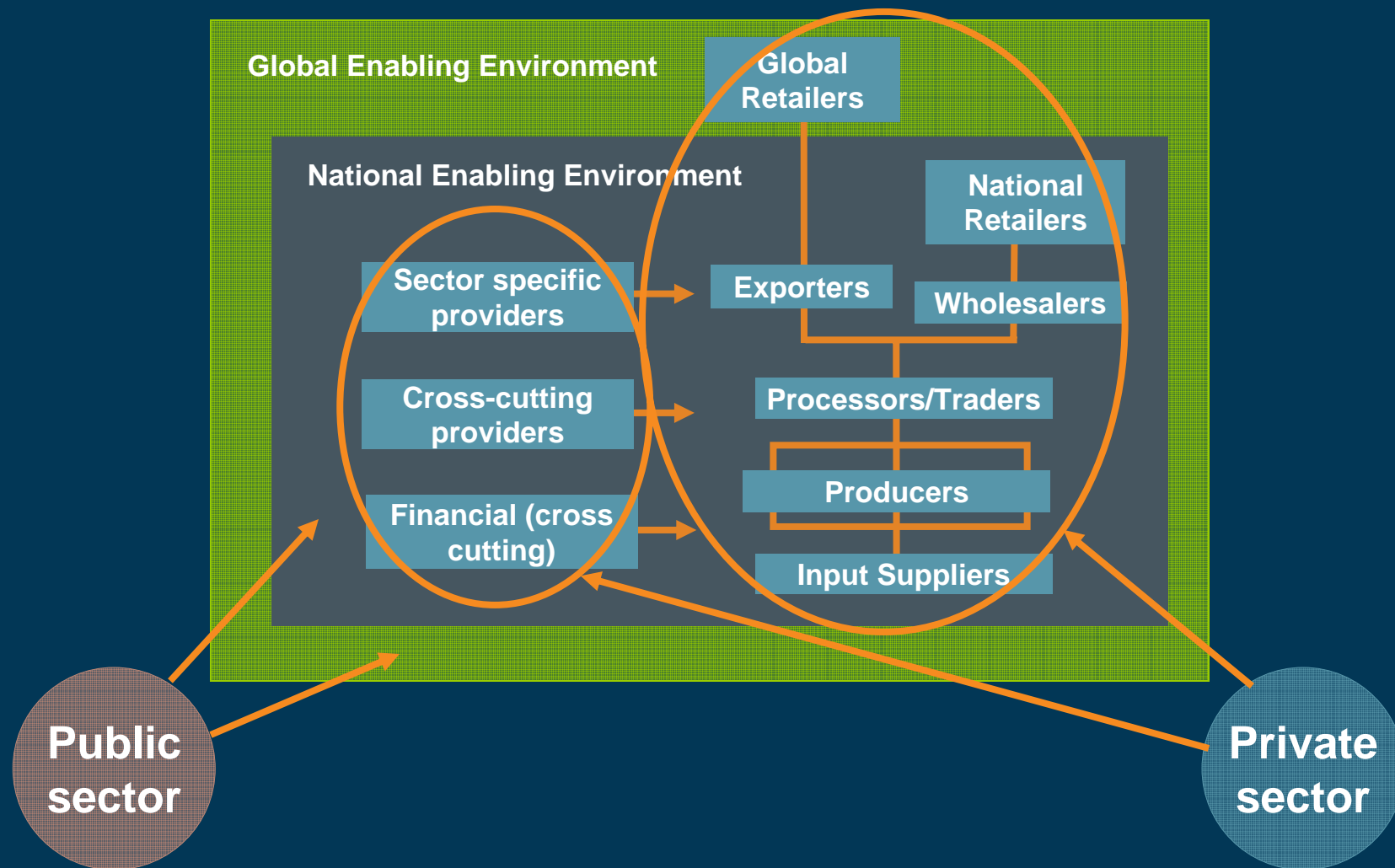


# Selecting “Pro-Poor” Industries

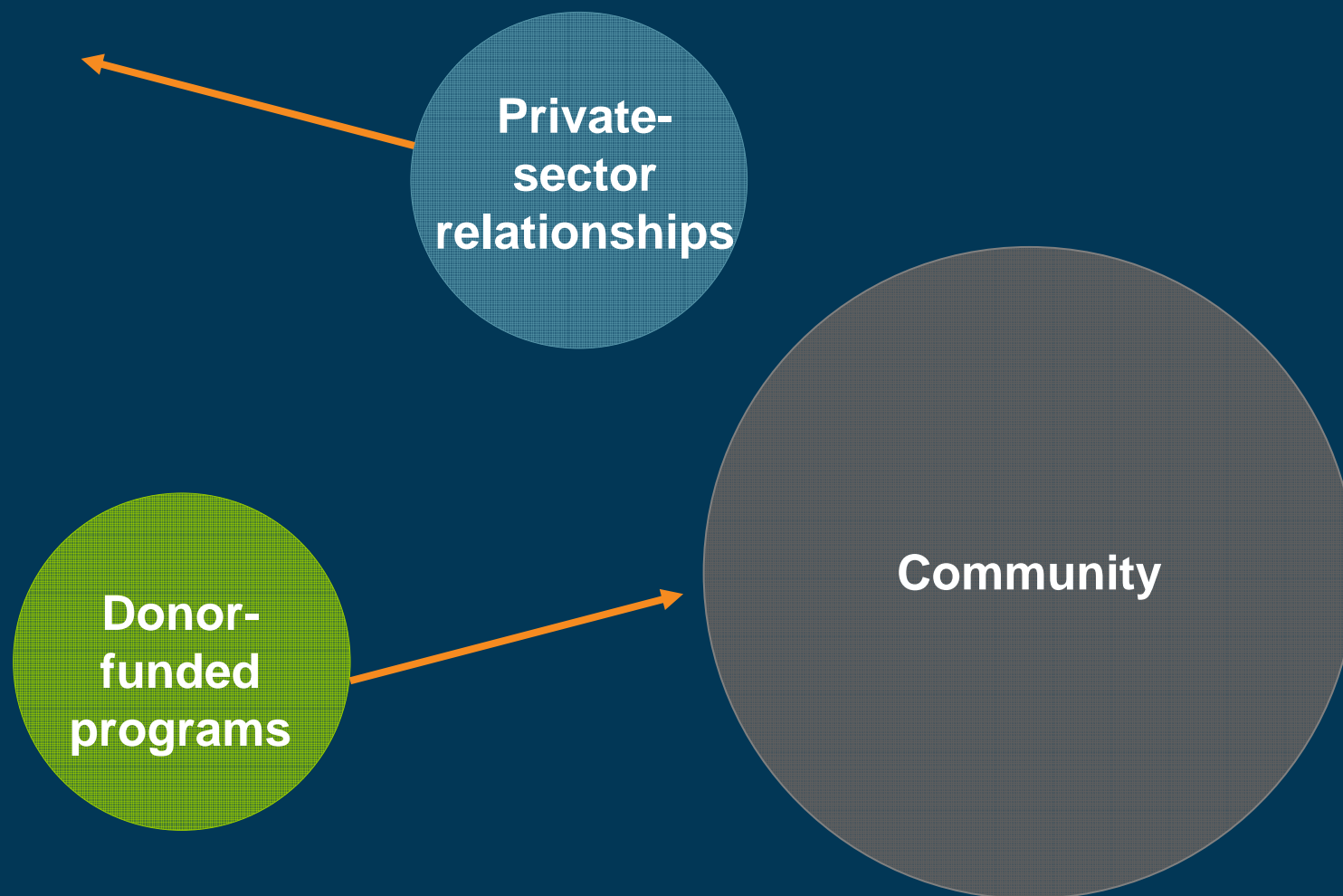
- Competitiveness for sustainability
- Breadth and depth of impact
- Strong employment potential
- Committed industry leadership



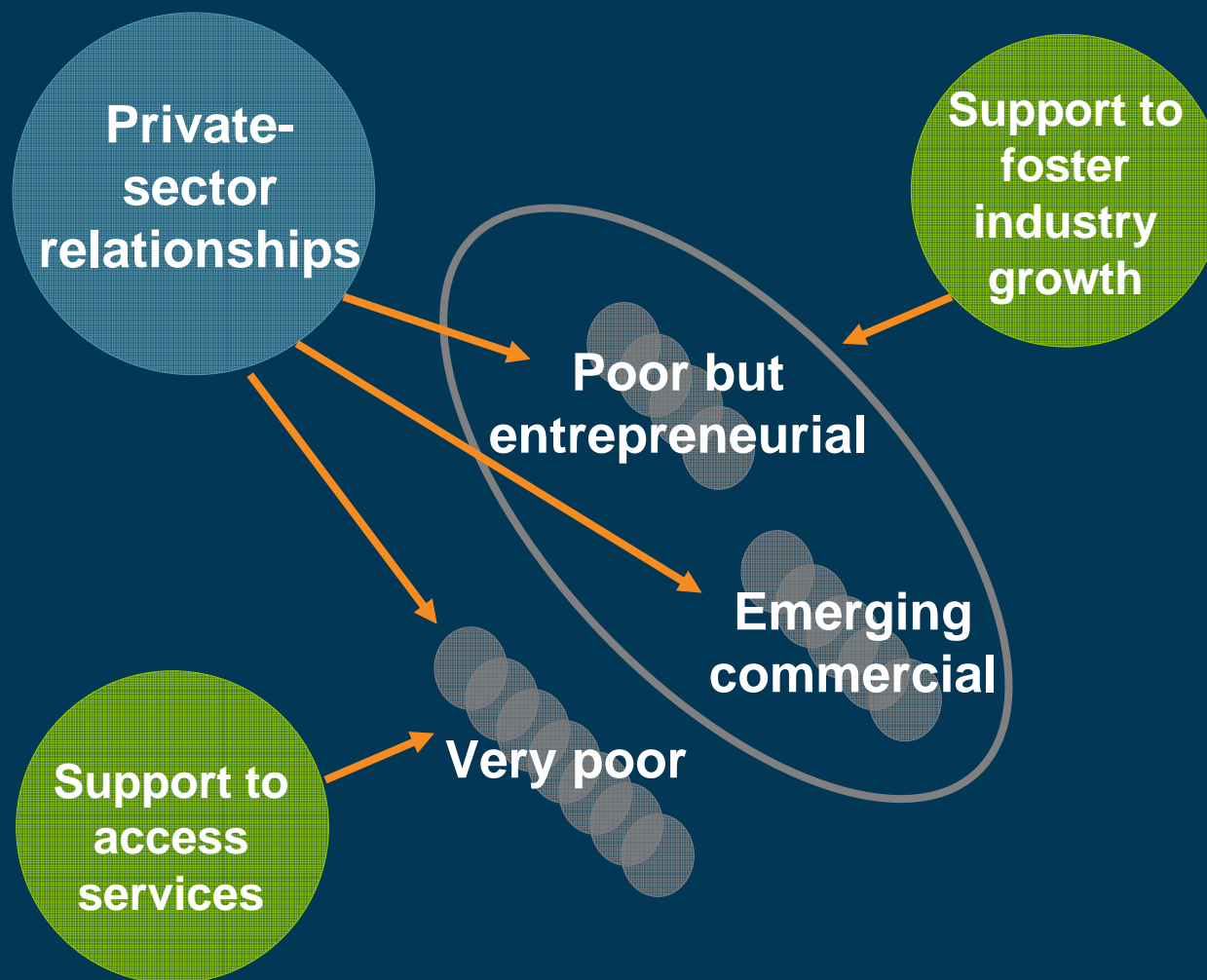
# Facilitating Systemic Change



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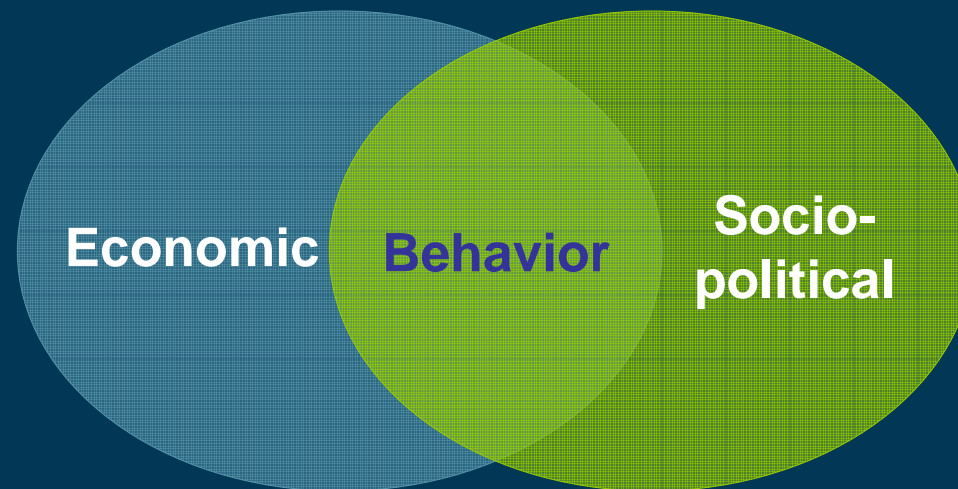


# Facilitating Systemic Change



# Relationships and Incentives

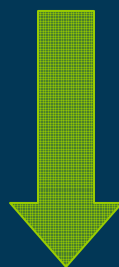
- *Who* do enterprises relate to?
- *How* do they relate?
- *Why* do enterprises act the way they do?





# Stimulating Behavior Change

- How can we *catalyze* incentives?
- How can we *reduce risk* to stimulate behavior change?



community-wide behavior change



Empowering people to succeed in the global economy.

# Fostering Competitiveness

Non-Competitive

**Relationships**

**Learning**

**Benefits**

Few  
Short-term  
Win-lose

Hesitant  
Zero-sum  
Political

For few  
Economic  
v. social

Competitive

Many  
Long-term  
Win-win

Invest  
Test  
Innovate

Mutually  
reinforcing  
Broad

# Impact on Poor

## Increasingly competitive value chains:

- Create sustainable employment at multiple levels
- Incorporate small-scale producers
- Promote positive economic behavior
- Build demand for basic public and private services
- Establish path for the poor to emerge out of poverty

